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School Apportionments

Under California's school finance system, general-purpose education funding is apportioned to school districts, county offices of education, and charter schools through a revenue limit system. Each school district, county office of education, and charter school has a general-purpose funding amount per unit of average daily attendance (ADA). These amounts are supported through a combination of local property taxes and state General Fund aid. In effect, the state makes up the difference between property tax revenues and the general-purpose funding amount for each local educational agency (LEA).

This chapter describes funding provided by the 2001-02 budget for general-purpose education and other programs funded through the principal apportionment system. These programs include adult education, gifted and talented education (GATE), and regional occupational centers and

programs (ROC/Ps). Two additional programs, adults in correctional facilities and opportunity classes and programs, are included in this chapter but are not apportioned through the principal apportionment system.

Revenue Limits

Budget Act Item: None—statutory appropriation

Resource Code 0000

Education Code sections [2550](#) through [2573](#) and [42238](#) through [42250.2](#)

2001-02 Budget Provisions

- The budget provides a 3.87 percent cost-of-living adjustment (COLA). For school districts, this amount is equivalent to \$167 per ADA for elementary school districts, \$200 per ADA for high school districts, and \$174 per ADA for unified districts, based on statewide average base revenue limits for the prior fiscal year.
- Beginning teacher salary incentive funding provided in 2000-01 will be added to the total revenue limit computed pursuant to Section 42238.
- The budget includes \$35 million from the General Fund (one-time funds) for buying out a portion of the Public Employees' Retirement System reduction. Implementing language (Senate Bill 6) is pending.
- The budget package also includes a \$40 million "set-aside" of one-time General Fund monies for equalization adjustments calculated pursuant to Assembly Bill 441 (Chapter 155, Statutes of 2001). The equalization adjustments calculated under this measure would level up all districts' base revenue limit per unit of ADA to the ninetieth percentile for the appropriate size and type of district. Allocation of these funds is contingent on enactment of additional legislation that contains an appropriation.

Program Information

The final date to correct 2000-01 Annual and second period (P-2) ADA for inclusion in the 2001-02 First Principal (P-1) Apportionment is October 15, 2001. See the “Calendar of Key Deadlines for 2001-02 Apportionments” (Appendix 1) for additional information regarding reporting dates.

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Adult Education Program

[Budget Act Item 6110-156-0001](#)

Resource Code 0000

Education Code sections [52610 through 52616.24](#)

2001-02 Budget Provisions

- The budget provides \$600.7 million from the General Fund. This amount includes \$14.3 million for growth (2.5 percent) and \$22.8 million for a COLA (3.87 percent). Of these funds \$36 million is apportioned to serve recipients eligible for California Work Opportunity and Responsibility to Kids (CalWORKs), with an additional \$8.7 million available from reimbursements. Local educational agencies must first meet CalWORKs maintenance-of-effort requirements to be eligible for these funds. A portion of these funds may be transferred to regional occupational centers and programs, depending on local needs.
- CalWORKs funding must be used for educational activities designed to increase self-sufficiency, to provide job training, and to serve employment. The funds will be apportioned only after LEAs have fully claimed their existing funding caps.

Program Information

Funding for this program is based on ADA as reported on Form J-18/19, Report of Attendance. The adult education block entitlements are calculated on Form S. These funds are planned for apportionment at the First Principal (P-1) Apportionment on February 20, 2002. See the "Calendar of Key Deadlines for 2001-02 Apportionments" (Appendix 1) for information regarding reporting dates.

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Adults in Correctional Facilities Program

[Budget Act Item 6110-158-0001](#)

Resource Code 6015

Education Code sections [41840 through 41841.8](#)

2001-02 Budget Provisions

- The budget provides \$17.9 million from the General Fund. This amount includes \$423,000 for growth (2.5 percent) and \$550,000 for a COLA (3.87 percent).
- The apportionment for each local educational agency is capped at the 1998-99 level, adjusted for growth and COLA.
- Growth funding will first be allocated to LEAs with an ADA of 20 or less, up to an additional 20 ADA.

Program Information

Funding for this program is based on the lesser of (1) 2000-01 expenses; (2) 80 percent of the adult education statewide average revenue limit multiplied by reported 2000-01 Annual ADA; or (3) the amount received in 2000-01 adjusted for growth and COLA. Expenditure data needed to calculate this apportionment must be submitted on Form J-152-A by October 30, 2001. CDE will apportion these funds in December 2001.

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Apprenticeship Program

[Budget Act Item 6110-103-0001](#)

Resource Code 0000

Education Code sections [8150 through 8156](#)

2001-02 Budget Provisions

- The budget provides \$15.9 million from the General Fund. This amount includes an increase of \$4.4 million to fund increased apprenticeship caps.
- The reimbursement rate for each 60-minute hour of teaching time is \$4.86.
- To be eligible for state funding, new or expanded programs must obtain the approval of the State Superintendent of Public Instruction.

Program Information

Funding for this program is based on the number of teaching hours per student as reported on Form J-18/19, Report of Attendance. The first period (P-1) Form J-18/19 is due on January 14, 2002. See the “Calendar of Key Deadlines for 2001-02 Apportionments” (Appendix 1) for additional information regarding reporting dates.

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Charter School Block Grants

[Budget Act Item 6110-211-0001](#) and statutory appropriation

Resource Code 0000

Education Code sections [47630 through 47664](#)

2001-02 Budget Provisions

- The budget funds the general-purpose entitlement for charter schools participating in the charter school funding model through the continuous statutory appropriation for revenue limits.
- The budget also contains a separate appropriation of \$41.4 million for categorical block grants for participating charter schools. These funds are provided in lieu of funding from specified categorical programs.
- Block grant funds may be used for any purpose.

Program Information

Assembly Bill 1115 (Chapter 78, Statutes of 1999) created the charter school funding model. Participation in the model is required for all new charter schools (those receiving a number on or after June 1, 1999) and is optional for existing charter schools. All charter schools must convert to the new model by fiscal year 2002-03. Charter schools may apply for state and federal funds from categorical programs not included within the block grant, subject to the specific terms and conditions of those programs.

An advance apportionment for continuing charter schools participating in the charter school funding model was made in July. New charter schools will receive a special advance apportionment pursuant to authorization provided in *Education Code* Section [47652](#). Sponsoring school districts (defined as the district that granted the charter or, in the case of charters granted by a county office of education or the State Board of Education, the district that initially denied the charter application) are also required to transfer a pro rata share of property taxes to charter schools in monthly installments.

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Community Day Schools Program

Resource Code 2430

Education Code sections [48660 through 48664](#)

2001-02 Budget Provisions

- The budget provides \$41.4 million from the General Fund.
- School districts with less than 2,501 ADA may apply for a waiver to receive funding not to exceed the amount for the necessary small high school formula for up to one teacher (\$83,140).

Program Information

Community day schools are funded at \$4,550 per ADA (fifth- and sixth-hour additional attendance) for school districts and at \$3,453 per ADA for county offices of education. The hourly rate for the seventh and eighth hours of attendance is \$4.35. Community day schools are required to document costs and to certify that 90 percent of the funds received were spent on the program.

Funding for this program is based on fifth- and sixth-hour ADA and seventh- and eighth-hour pupil hours as reported on Form J-18/19, Report of Attendance for districts, and Form J-27/28, Report of Attendance for county offices of education. Entitlements are calculated on Schedule Z of the K–12 Revenue Limit forms for districts and Schedule C of Form O, Revenue Limit forms for county offices of education. See the “Calendar of Key Deadlines for 2001-02 Apportionments” (Appendix 1) for information regarding reporting dates.

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Continuation High Schools

[Budget Act Item 6110-187-0001](#)

Resource Code 2200

Education Code Section [42243.7](#)

2001-02 Budget Provisions

- The budget provides \$1.3 million from the General Fund for a COLA.
- The revenue limit for each local educational agency will be increased by a constant dollar amount determined by dividing the amount appropriated by the statewide 2000-01 second period (P-2) continuation high school ADA. The estimated amount per ADA equals \$25.46.

Program Information

School districts that operated a continuation high school in 2000-01 are eligible for this increase in revenue limit funding. The amount to be allocated is in addition to the amount funded last year. Funding for new continuation high schools approved for the first time by CDE for 2001-02 is calculated on Schedule E of the K–12 Revenue Limit forms. See the “Calendar of Key Deadlines for 2001-02 Apportionments” (Appendix 1) for information regarding reporting dates.

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Elementary School Intensive Reading Program

[Budget Act Item 6110-205-0001](#)

Resource Code 0000

Education Code sections [42239.1](#), [42239.2](#), and [53025 through 53031](#)

2001-02 Budget Provisions

- The budget provides \$29.5 million from the General Fund for intensive reading programs for kindergarten and grades 1–4.
- District entitlements for the programs are capped at 10 percent of prior-year enrollment multiplied by 120 hours and the supplemental instruction hourly rate of \$3.38.
- A minimum funding level of \$7,253 is provided for small school districts with prior-year enrollment of less than 500 and that offer at least 1,500 hours of instruction. Small school districts that offer less than 1,500 hours will be reimbursed at the hourly rate of \$4.83.

Program Information

Funding for elementary school intensive reading programs for 2001-02 is based on the number of student hours reported on the attendance forms. See the “Calendar of Key Deadlines for 2001-02 Apportionments” (Appendix 1) for information regarding reporting dates.

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Gifted and Talented Education (GATE)

[Budget Act Item 6110-124-0001](#)

Resource Code 7140

Education Code sections [52200 through 52212](#)

2001-02 Budget Provisions

- The budget provides \$54.7 million from the General Fund. This includes \$727,000 for growth (1.40 percent) and \$2 million for a COLA (3.87 percent).

Program Information

Funding for this program is based on second period (P-2) prior-year ADA. Districts with an ADA of less than 1,500 will receive an amount no less than the amount that they received in the Annual 1998-99 apportionment. This information is reported on the Form J-22 Supplement. GATE Form J-22 for the First Principal (P-1) Apportionment must be sent to CDE by January

14, 2002. See the “Calendar of Key Deadlines for 2001-02 Apportionments” (Appendix 1) for additional information regarding reporting dates.

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Intensive Algebra Instruction Academies

[Budget Act Item 6110-204-0001](#)

Resource Code 0000

Education Code sections [53081 through 53084](#)

2001-02 Budget Provisions

- The budget provides \$12.3 million from the General Fund for intensive algebra instruction academies for grades seven and eight.
- School district and charter school entitlements for the programs are capped at 6 percent of total enrollment in grades seven and eight for the prior year multiplied by 120 hours and the supplemental instruction hourly rate of \$3.38.
- A minimum funding level of \$7,253 is provided for small school districts with prior-year enrollment of less than 333 for students in grades seven and eight and that offer at least 1,500 hours of instruction. Small school districts that offer less than 1,500 hours will be reimbursed at the hourly rate of \$4.83.

Program Information

Funding for intensive algebra instruction academies for grades seven and eight for 2001-02 is based on the number of student hours reported on the attendance forms. See the “Calendar of Key Deadlines for 2001-02 Apportionments” (Appendix 1) for information regarding reporting dates.

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Necessary Small School Funding

Budget Act Item: None—statutory appropriation

Resource Code 0000

Education Code sections [42280 through 42289.5](#)

2001-02 Budget Provisions

- The budget provides a 3.87 percent COLA.

Program Information

Entitlements for this program are calculated on Schedule F of the K–12 Revenue Limit forms.

For an elementary school district with a single school with less than 97 ADA, and for each qualifying necessary small elementary school within a school district of less than 2,501 ADA, the 2001-02 necessary small school amounts will be computed either on the school's ADA or on the number of full-time teachers, whichever provides the lesser amount.

For a high school district with a single school, or a single high school maintained by a unified district with less than 287 ADA, and for each qualifying necessary small high school within a district of less than 2,501 ADA, the 2001-02 necessary small school amounts will be computed either on the school's ADA or on the number of full-time equivalent certificated employees assigned to the school, whichever provides the lesser amount.

See the “Calendar of Key Deadlines for 2001-02 Apportionments” (Appendix 1) for information regarding reporting dates.

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Opportunity Classes and Programs

[Budget Act Item 6110-127-0001](#)

Resource Code 0000

Education Code sections [48643](#) through [48644.5](#)

2001-02 Budget Provisions

- The budget provides \$2.5 million from the General Fund. This amount includes \$63,000 for growth (2.75 percent) and \$91,000 for a COLA (3.87 percent).
- The funding rate is \$507 per ADA.

Program Information

Districts may receive incentive funding to provide identified students in grades 7–9 with opportunity classes and programs. These funds help districts in recovering some of the costs related to the educational interventions and guidance services designed to effect positive changes in student behavior through a specialized and structured learning environment. Reimbursement forms are due to CDE by September 30, 2001.

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Regional Occupational Centers and Programs (ROC/Ps)

[Budget Act Item 6110-105-0001](#)

Resource Code 6350

Education Code sections [52300](#) through [52335.10](#)

2001-02 Budget Provisions

- The budget provides \$360 million from the General Fund. This amount includes an increase of \$9.2 million for growth (2.74 percent) and \$13.4 million for a COLA (3.87 percent). An

additional \$7.3 million is available from reimbursements. Of these funds \$8.5 million (\$1.2 million from the General Fund and \$7.3 million from reimbursements) is designated to serve recipients eligible for CalWORKs. Additional funds that may be used for ROC/Ps are appropriated in the adult education item (Item 6110-156-0001) for recipients eligible for CalWORKs.

- CalWORKs funding must be used for educational activities designed to increase self-sufficiency, provide job training, and secure employment. The funds will be apportioned only after LEAs have met CalWORKs maintenance-of-effort requirements and have fully claimed their existing funding caps.
- An indirect cost rate charged to an ROC/P may not exceed the prior-year indirect cost rate approved by CDE, the school district, or the county office of education (COE), as appropriate.
- The combined indirect cost rate charged by the school districts and COE that provide ROC/P services on behalf of the COE or a joint powers authority may not exceed the prior-year indirect cost rate approved by CDE for the school district or COE, whichever is higher.
- ROC/P revenue limit funding must be expended on programs and services offered by the ROC/P.

Program Information

Funding for this program is based on ADA reported on Form J-18/19, Report of Attendance. Entitlements are calculated on Form R.

Education Code Section [52335.4](#) prescribes the formula to calculate an ROC/P's share of the growth funding. The share of an ROC/P will be calculated based on the ratio of the prior-year ADA in grades 9–12 for school districts served by the ROC/P to the statewide prior-year ADA in grades 9–12. Funding will be apportioned at the First Principal (P-1) Apportionment on February 20, 2002.

The state's portion of the CalWORKs funds will be apportioned at the First Principal (P-1) Apportionment on February 20, 2002. See the "Calendar of Key Deadlines for 2001-02 Apportionments" (Appendix 1) for information regarding reporting dates.

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Web Site: <http://www.cde.ca.gov/rocp>

Summer School/Supplemental Instruction

[Budget Act Item 6110-104-0001](#)

Resource Code 0000

Education Code sections [37252 through 37253](#) and [42239](#)

2001-02 Budget Provisions

- The budget provides \$165.6 million from the General Fund for:
 - Remedial supplemental instructional programs for students enrolled in grades 7–12 who do not demonstrate sufficient progress toward passing the high school exit examination (*Education Code* Section [37252](#)).
- The budget provides \$48 million from the General Fund for supplemental instructional programs for students in grades 2–9 who are retained or recommended for retention and for pupils in grades 2–6 who are at risk of retention (*Education Code* Section [37252.5](#)).
- The budget provides \$17.3 million for students who have low Standardized Testing and Reporting (STAR) scores (*Education Code* Section [37252.6](#)).
 - The maximum amount of funding statewide for pupils in grades 2–6 who have low STAR scores is 5 percent of the statewide enrollment in grades 2–6 for the prior fiscal year multiplied by 120 hours and an hourly rate of \$3.38. A 5 percent enrollment cap also applies to school districts.
- The budget provides \$204 million from the General Fund for core supplemental instructional programs (*Education Code* Section [37253](#)).

- Programs are capped at 7 percent of prior-year enrollment, multiplied by 120 hours and an hourly rate of \$3.38.
- A minimum funding level of \$7,253 is provided for small school districts with prior-year enrollment of less than 500 and that offer at least 1,500 hours of instruction. Small school districts that offer less than 1,500 hours will be reimbursed at the hourly rate of \$4.83.
- CDE will allocate any unexpended balances first for deficits in mandated programs (remedial grades 7–12 and students in grades 2–9 who have been retained or recommended for retention) and second for core supplemental instructional programs, up to 10 percent of a district’s total enrollment.
- The hourly rate for supplemental instructional programs is \$3.38, which reflects a COLA of 3.87 percent.

Program Information

Local educational agencies are required to offer supplemental instruction to students in grades 2–9 who are retained or recommended for retention and to students in grades 7–12 who do not demonstrate sufficient progress toward passing the exit examination required for high school graduation. Classes may be offered during the summer, before or after school, on Saturday, or during intersession. Services may not be provided during the student’s regular instructional day.

Funding for supplemental instructional programs is based on the number of student hours reported on the attendance forms multiplied by the hourly rate. See “Calendar of Key Deadlines for 2001-02 Apportionments” (Appendix 1) for information regarding reporting dates.

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